

A RESOLUTION OF THE LODI CITY COUNCIL DECLARING ITS
INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM
PROCEEDS OF INDEBTEDNESS

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WHEREAS, the City intends to design and construct a surface water treatment plant and related appurtenances (the "Project"); and

WHEREAS, the City expects to pay certain expenditures (the "Reimbursement Expenditures") in connection with the Project prior to the issuance of bonded indebtedness for the purpose of financing costs associated with the Project; and

WHEREAS, the City reasonably expects that debt obligations will be issued in connection with the project and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, proceeds of such debt obligations will be allocated to reimburse expenditures no later than 18 months after the later of (i) the date the cost is paid, or (ii) the date the Project is placed in service or abandoned (but in no event more than three years after the cost is paid).

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council as follows:

Section 1. The City finds and determines that the foregoing recitals are true and correct.

Section 2. The City hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures.

Section 3. This declaration is made solely for the purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind the City to make any expenditure, incur any indebtedness, or proceed with the Project.

Section 4. This resolution shall take effect from and after its adoption.

Dated: January 6, 2010

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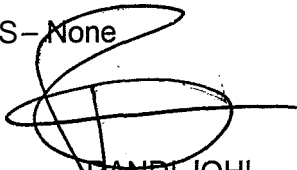
I hereby certify that Resolution No. 2010-01 as passed and adopted by the City Council of the City of Lodi in a regular meeting held January 6, 2010, by the following votes:

AYES: COUNCIL MEMBERS – Hansen, Johnson, and Mayor Katzakian

NOES: COUNCIL MEMBERS – Mounce

ABSENT: COUNCIL MEMBERS – Hitchcock

ABSTAIN: COUNCIL MEMBERS – None


RANDI JOHL
City Clerk